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# CALIFORNIA TO LAUNCH STATE RESOURCE NETWORK TO HELP CITIES ADDRESS ECONOMIC AND FISCAL CHALLENGES, PROMOTE STATE-CITY PARTNERSHIPS

## National Resource Network opens national competition to create state partnerships to aid economically challenged cities

The <u>National Resource Network</u> (the Network) and the state of California have launched a new program to provide technical assistance to small cities and counties in the state that are facing economic and fiscal challenges. In its first year, the California State Resource Network will work with cities and counties to develop strategies to achieve fiscal sustainability and make better use of previously awarded federal funds. In announcing the California State Resource Network, the National Resource Network also opened a national competition for other states to create similar partnerships, which will be supported by a grant from the Laura and John Arnold Foundation.

The California program is based on the model of the National Resource Network, initially funded by the federal government, which has provided comprehensive technical assistance to 50 economically challenged cities in 22 states since its launch in 2013. In 2015, the Commonwealth of Massachusetts launched the first pilot State Resource Network.

"Local governments across the nation are on the front lines of efforts to create economic prosperity, but frequently those cities that face the toughest challenges need outside help and expertise to make progress," said David Eichenthal, Executive Director of the National Resource Network. "State

governments are essential partners for these cities, and the State Resource Network model is an important tool for cementing that partnership. We are pleased that California is leading the way."

A <u>2015 National Resource Network study</u> found that one in four cities nationally that met the criteria for Network assistance were located in California.

"We are excited that California is among the first states to launch a State Resource Network," said Ben Metcalf, Director of the California Department of Housing and Community Development. "We know that there are many cities and counties in California that are working to overcome economic challenges, and we're particularly keen to support their use of federal dollars that are currently sitting idle. The Network will provide a new tool for state government to partner with cities to succeed."

"As a former city official and now as a state legislator, I know the vital role the state plays with cities to chart out a course to economic competitiveness," said Assemblymember David Chiu, chair of the Assembly Housing and Community Development Committee. "Whether it is working to create affordable housing or meet transportation needs, what cities do is critical to the state's overall economic vitality. The National Resource Network has already proven that it can successfully partner with California cities, and I applaud the Housing and Community Development Department's efforts to continue the good work."

"Our city has worked closely with the National Resource Network on a five-year financial plan that is focused on addressing Richmond's most pressing needs and making sound public policy decisions to make our city stronger," said Tom Butt, Mayor of Richmond, California. "At the same time, we have benefited greatly from the information sharing and peer-to-peer learning opportunities that we have had as part of the Network. We're excited that California has agreed to form a State Resource Network, connecting even more cities with technical assistance and providing a clear pathway for partnerships between cities and the state."

With federal funding, the National Resource Network has already provided technical assistance to nine California cities – more than in any other state. The Network led projects in Compton, Lancaster, Richmond, Yuba City and Salinas. The Network's work in Salinas included the cities of Gonzales, Greenfield, King City and Soledad.

#### **How State Resource Networks Work**

State Resource Networks bring together states and cities to partner on issues that are most important to them. Examples of projects that can be created through a State Resource Network could include:

- Creating a long term financial plan or working to ensure balanced budgets;
- Developing a comprehensive affordable housing plan to address a shortage of options for lowincome residents;

- Identifying innovative workforce development strategies and roadmaps that connect hard-toemploy residents to jobs in high-growth industries; and
- Helping to improve city service delivery in public works, education, or public safety, based on benchmarking and national best practices.

The Network has already seen great success with a State Resource Network in Massachusetts. In 2015, Massachusetts launched a pilot State Resource Network (MassSRN) with funding from MassDevelopment after identifying the approach as a comprehensive, innovative way to enhance economic competitiveness in Gateway cities. MassSRN projects are now under way in three additional cities across the state: Everett (community development and housing strategy), Pittsfield (operational review), and Worcester (strategic plan).

#### **How States Can Apply**

Starting today, other states can apply for a State Resource Network through individual or groups of departments or agencies. States must show a readiness and willingness to partner with cities to improve their economic competitiveness and fiscal stability, and demonstrate an ability to effectively implement the State Resource Network. Applicants will be evaluated on a series of criteria, including:

- Executive leadership commitment to program success;
- Concentration of cities in need of technical assistance;
- Clarity and strength of the proposed SRN program design;
- Ability to clearly articulate how the program would benefit the state, including how it might expand or complement any existing technical assistance resources or programs;
- Ability of the state to commit to funding 50% of the program budget; and
- Existing partnerships that might facilitate successful implementation of the program.

Only one application per state may be submitted. The deadline for submitting applications is January 30, 2018.

#### **About National Resource Network**

In 2013, the National Resource Network began as a technical assistance program funded by the U.S. Department of Housing and Urban Development. The Network is led by a group of leading experts from the private and public sectors, including Enterprise Community Partners, PFM (Public Financial Management), HR&A Advisors, New York University's Robert F. Wagner Graduate School of Public Service, and the International City/County Management Association. The Network develops and delivers innovative solutions to American cities to help them address their toughest economic challenges. More information about the National Resource Network is available online at http://nationalresourcenetwork.org. You can also follow the National Resource Network on Twitter

@NatlResourceNet.

### **About California Department of Housing and Community Development**

The California Department of Housing and Community Development is dedicated to the preservation and expansion of safe and affordable housing so more Californians can have a place to call home. Our team works to ensure an adequate supply of housing for Californians and promotes the growth of strong communities through its leadership, policy and program development. For more information, please visit <a href="www.hcd.ca.gov">www.hcd.ca.gov</a> and follow us on Twitter, @California\_HCD and Facebook, @CaliforniaHCD.